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| 09/818,088      | 03/27/2001  | Tony Defarlo         | Traderprofile-1     | 2849             |

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05/19/2005

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| EXAMINER |
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MILEF, ELDA G

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| ART UNIT | PAPER NUMBER |
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3628

DATE MAILED: 05/19/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

|                              |                                      |                                      |  |
|------------------------------|--------------------------------------|--------------------------------------|--|
| <b>Office Action Summary</b> | <b>Application No.</b><br>09/818,088 | <b>Applicant(s)</b><br>DEFARLO, TONY |  |
|                              | <b>Examiner</b><br>Elda Milef        | <b>Art Unit</b><br>3628              |  |

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-26 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 27 March 2001 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |  |
|--|--|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)            |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>3/27/01</u> . | 6) <input type="checkbox"/> Other: ____  |

## DETAILED ACTION

### *Drawings*

1. The drawings are objected to under 37 CFR 1.83(a). The drawings must show every feature of the invention specified in the claims. Therefore, the manual input means in claim 19 and the artificial intelligence in claim 22 must be shown or the feature(s) canceled from the claim(s). No new matter should be entered.

Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. The figure or figure number of an amended drawing should not be labeled as "amended." If a drawing figure is to be canceled, the appropriate figure must be removed from the replacement sheet, and where necessary, the remaining figures must be renumbered and appropriate changes made to the brief description of the several views of the drawings for consistency. Additional replacement sheets may be necessary to show the renumbering of the remaining figures. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

### ***Specification***

2. The disclosure is objected to because of the following informalities:

\*Page 13, line 6, "trade database 10" should be --database 34--.

\*Page 14, in the definition of "Day of Week Study", "Trade results broken down the by the day of the week trade was entered." Should be --"Trade results broken down by the day of the week that the trade was entered."

\*Page 19, the sentence " For example, the program would report to Trader A that it has found shorting stocks that are up strongly on a day when the PPI is better than expected as led to losses 80% of the time." The sentence cannot be clearly understood by the examiner. Clarification is required.

Appropriate correction is required.

3. The specification is objected to as failing to provide proper antecedent basis for the claimed subject matter. See 37 CFR 1.75(d)(1) and MPEP § 608.01(o). Correction of the following is required:

Claims 7 and 8 are objected to under 37 CFR 1.74(d) because there is no antecedent basis in the description for the term "valuables."

***Claim Objections***

4. Claims 3 and 7 are objected to because of the following informalities:  
“ a open position” should be “ an open position.” Appropriate correction is required.

***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

6. Claims 3,7,8 and 22 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

**Re claim 3:** The description does not adequately disclose to one of ordinary skill in the art how to make and use the invention in determining when said open position becomes zero.

**Re claims 7 and 8:** There is no antecedent basis in the description for the term “valuables.”

**Re claim 22:** The description does not adequately disclose to one of ordinary skill in the art how to make and use the invention using an artificial intelligence means.

\*\*\*Claims 3, 7, 8, and 22 cannot be examined against prior art.

7. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

8. Claim 6 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

**Re claim 6:** "said category of trade measures" does not have proper antecedent basis.

### ***Claim Rejections - 35 USC § 101***

9. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

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10. Claims 1-11 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" and therefore are found to be non-statutory subject matter.

For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, Claims 1-11 only recite an abstract idea. Claims 1-11 do not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or by using a pencil and paper.

### ***Claim Rejections - 35 USC § 103***

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

12. Claims 1, 2, 4, 11-18,20,23-26, are rejected under 35 U.S.C. 103(a) as being unpatentable over Black et al., (U.S. patent number 6,012,042).

**Re claim 1:** Black et al. disclose the steps of:

acquiring transaction data relating to a financial instrument ( col. 4, lines 26-28, Black et al. discloses a technical data storage device that includes a plurality of price and volume data for at least one security. Volume data is defined as the number of shares traded (bought and sold) on a stock exchange for a given period ).

converting said transaction data into a trade record (col 3 lines 44-53). The examiner is interpreting trade record as the aggregation of transaction data. It is notoriously well known to one having ordinary skill in the art at the time the invention was made that transaction data is converted into a trade record on a daily basis when calculating technical data. (e.g. The Washington Post business section, E-trade Financial, Waterhouse securities, and Ameritrade all continuously disclose volume data as well as the open, high, low, and close prices of securities).



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acquiring external market data relating to said financial instrument ( col. 4 lines 1-19).

correlating external market data to said trade record ( "With the combination of these disparate data in different formats into a unified format, more information is conveniently and immediately available for analysis, and improved accuracy in predictions is possible as a result therefrom" see-- col. 4, lines15-19). The examiner is interpreting trade record as the aggregation of transaction data. It is notoriously well known to one having ordinary skill in the art at the time the invention was made that transaction data is converted into a trade record on a daily basis when calculating technical data. (e.g. The Washington Post business section, E-trade Financial, Waterhouse securities, and Ameritrade all continuously disclose volume data as well as the open, high, low, and close prices of securities).

**Re claim 2:** Black et al. disclose that said transaction data comprises buy transactions and sell transactions of said financial instrument in column 1, lines 46-48 (e.g., volume or number of shares sold, past price movements).

**Re claim 4:** Black et al. disclose said external market data comprises fundamental data and technical data( col. 3 lines 1-5).

**Re claim 11:** Black et al. disclose the step of monitoring said correlation of said external market data to said trade record to determine consistent relationships of trading success. (col. 3 lines 59-67 and col. 4 lines 14-19).

**Re claim 12:** Black et al. disclose data analysis system comprising:

a first input means for acquiring transaction data relating to a financial instrument ( "voluminous technical and fundamental data on a particular stock can be accessed from one or several databases " – see col. 10, lines 41-44).

a means for converting said transaction data into a trade record("The computer system of the presently claimed invention manipulates historical data on a security... in an effort to gain insight as to the future performance of those stocks or securities... data lends themselves to time-based analysis, e.g., a series of daily prices and trade volumes, and a chart may be created to illustrate these events."—see col. 3, lines 44-53). The examiner is interpreting trade record as the aggregation of transaction data. It is notoriously well known to one having ordinary skill in the art at the time the invention was made that transaction data is converted into a trade record on a daily basis when calculating technical data (e.g. The Washington Post business section, E-trade Financial, Waterhouse securities, and Ameritrade all continuously disclose volume data as well as the open, high, low, and close prices of securities).

a second input means for acquiring external market data relating to said financial instrument ( "voluminous technical and fundamental data on a particular stock can be accessed from one or several databases " -- see col. 10, lines 41-44).

and a processing means for correlating said external market data to said trade

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record ( "The improved securities analysis system in accordance with the present invention includes a data conversion device for converting both technical and fundamental data about a security into a unified format for analysis by an analysis process engine." --see col. 3, lines 1-6).

**Re claim 13:** Black et al. disclose a storage means for storing said correlated data (col. 4, lines 21-58).

**Re claim 14:** Black et al. disclose a display means for displaying said correlated data in the form of graphs and tables (col. 11, lines 1-5).

**Re claim 15:** Black et al. disclose a display means being a computer terminal (col. 11, lines 1-5).

**Re claim 16:** Black et al. disclose that said transaction data comprises buy transactions and sell transactions (col. 4, lines 26-28). Black et al. disclose a technical data storage device that includes a plurality of price and volume data for at least one security. Volume data is defined as the number of shares traded (bought and sold) on a stock exchange for a given period

**Re claim 17:** Black et al. disclose said external market data comprises fundamental data and technical data( col. 3 lines 1-5).

**Re claim 18:** Black et al. disclose said first input means being a direct connection with a transaction source computer system. (col. 10, lines 34-56)

**Re claim 20:** Black et al. disclose second input means being a direct connection to an external securities information vendor, said direct connection being a one-way communication link (col. 10,53-56).

**Re claim 23:** Black et al. disclose said first input means, said converting means, said second input means and said processor means reside on an implementing server (col. 10, lines 34-56).

**Re claim 24:** Black et al. disclose said implementing server being connected to a global information system. (col.10, lines 34-56).

**Re claim 25:** Black et al. disclose said implementing server being connected to a local area network ( col. 10, lines 34-56).

**Re claim 26:** Black et al. disclose said implementing server being connected to an intranet (col. 10, lines 34-56).

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13. Claims 5 ,6 ,9 and 10, 21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Black et al., (U.S. patent number 6,012,042) as applied to claims 1 and 12 above, and further in view of Chadha et al. (U.S. Patent number 6,850,906).

**Re claim 5:** Black et al. disclose the steps of:

calculating a first value for a plurality of technical indicators ( col. 11, lines 24-32);  
sorting said first values of technical indicators into categories (col. 11, lines 27-43);

appending said first value of said category of technical indicators to said trade record. ("The combination of these and other disparate, non-uniform historical data into a unified format is a goal of the present invention." – see col. 3, lines 59-61).

Black et al. do not disclose that said first value of technical indicators being determined at a time of a transaction. Chadha et al. teaches a real time financial search engine for retrieving financial information in real time. It would have been obvious to one having ordinary skill in the art at the time of the applicant's invention to have modified Black et al. by incorporating a real time financial search engine, as was done by Chadha et al. to increase the efficiency of viewing the technical data shown in Black et al.

**Re claim 6:** Black et al. disclose the steps of:

calculating a second value for a plurality of trade statistics ( col. 3, lines 50-53 and lines 61-67);

sorting said second values of trade statistics into categories (col.4, lines 26-32);

appending said second value of said category of trade measures to said trade record ("The combination of these and other disparate, non-uniform historical data into a unified format is a goal of the present invention." – see col. 3, lines 59-61).

Black et al. does not disclose said second value of trade measures being determined at a time of a transaction. Chadha et al. teaches a real time financial search engine for retrieving financial information in real time. It would have been obvious to one having ordinary skill in the art at the time of the applicant's invention to have modified Black et al. by incorporating a real time financial search engine, as was done by Chadha et al. in order to have the ability to view the trade measures at the time of a transaction.

**Re claim 9:** Black et al. disclose the step of acquiring said external market data (col. 3 lines 44-67 and col. 4 lines 1-19). Black et al. does not disclose acquiring said external market data executes once a day after a financial market stops trading. Chadha et al. teaches a real time financial search engine for retrieving financial information in real time. It would have been obvious to one having ordinary skill in the art at the time of the applicant's invention to have modified Black et al. by incorporating a real time financial search engine, as was done by Chadha et al. so as to acquire said

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external market data at the end of the day after a financial market stops trading in real time.

**Re claim 10:** Black et al. do not disclose the step of acquiring said external market data executes continuously in real time, however, Chadha et al. teaches a real time financial search engine for retrieving financial information in real time. It would have been obvious to one having ordinary skill in the art at the time of the applicant's invention to have modified Black et al. by incorporating a real time financial search engine, as was done by Chadha et al. so as to acquire said external market data continuously in real time.

**Re claim 21:** Black et al. do not disclose said second input means being a real-time external market data feed, however, Chadha et al. teaches a real time financial search engine for retrieving financial information in real time. It would have been obvious to one having ordinary skill in the art at the time of the applicant's invention to have modified Black et al. by incorporating a real time financial search engine, as was done by Chadha et al. so as to acquire said external market data continuously in real time.

14. Claim 19 is rejected under 35 U.S.C. 103(a) as being unpatentable over Black et al., (U.S. patent number 6,012,042) as applied to claim 12 above, and further in view of Maggioncalda et al. (U.S. Patent number 5,918,217).

**Re claim 19:** Black et al. do not explicitly disclose said first input means being a manual input. However, Maggioncalda et al. teaches a user interface for a financial advisory system that uses an input device (col. 14, lines 30-32). Thus, it would have been obvious to one having ordinary skill in the art to modify Black et al. to incorporate a manual input means via various input devices (e.g. keyboard, mouse, light pen, or the like) as taught by Maggioncalda, in order for information relating to a financial instrument to be placed into the security analysis system.

### ***Conclusion***

15. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

U.S. Patent No. 6,272,474 to Garcia cited for showing a system and method for monitoring and trading stock via the internet.

U.S. Patent No. 5,761,442 to Barr et al. cited for showing a system and method for selecting a portfolio of securities.

U.S. Patent No. 6,681,211 to Gatto cited for showing a system and method for measuring, analyzing, and tracking the past performance of security analysts' earnings estimates.

U.S. Patent No. 6,012,046 to Lupien et al. cited for a crossing network that matches buy and sell orders related to securities trading.



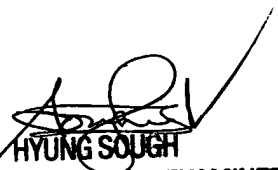
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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Elda Milef whose telephone number is (571)272-8124.

The examiner can normally be reached on Monday - Friday 9:15 am to 5:45 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung Sough can be reached on (571)272-6799. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

  
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